

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6551

BILL NUMBER: HB 1159

NOTE PREPARED: Feb 19, 2013

BILL AMENDED: Feb 12, 2013

SUBJECT: Liability for Use of School Facilities.

FIRST AUTHOR: Rep. Huston

FIRST SPONSOR: Sen. Pete Miller

BILL STATUS: As Passed House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) This bill limits the liability of a public school or an accredited nonpublic school that provides community use physical fitness activities to the general public.

Effective Date: July 1, 2013.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) Under this bill, schools (public and accredited nonpublic) would not be held liable in certain situations involving the use of their physical fitness equipment or their facilities by the public. The board of school trustees, board of school commissioners, school board of an incorporated town and city, or township school trustees, as applicable, must approve the types of activities permitted on the school's equipment. There are two situations where a school would still be liable:

1. If it intentionally ignored a potential hazard with the equipment or failed to ensure that its personnel were properly trained in its use.
2. If it entered into a contract with a private entity for use of the equipment and failed to post the appropriate warning sign as stipulated by this bill.

There are currently no data available to indicate if this bill would influence the number of civil suits brought by individuals seeking compensation from schools for damages caused by the individual's use of the school's exercise equipment. The fiscal impact would depend on whether the school would have to incur costs such as

attorney's fees in defending itself in civil suits and to pay damages if this provision were not implemented. This provision may also result in lower liability insurance cost for some schools; the amount of the decrease, if any, is indeterminable at this time.

Explanation of Local Revenues: Under the bill, the number of schools willing to permit the public to use their recreational facilities for a fee may increase. The amount of revenue to be earned from this initiative is indeterminable at this time.

State Agencies Affected:

Local Agencies Affected: Public schools; Accredited nonpublic schools; Boards of school trustees; Boards of school commissioners; School boards of incorporated towns and cities; Township school trustees.

Information Sources:

Fiscal Analyst: David Lusan, 317-232-9592.